

PSC NEWS Missouri Public Service Commission

Contact: Kevin Kelly Phone: (573) 751-9300 Gov

Governor Office Building, Suite 600

FY-07-98

FOR IMMEDIATE RELEASE

OCTOBER 26, 2006

Natural Gas Rates To Change For AmerenUE Customers

JEFFERSON CITY—To reflect estimated changes in the wholesale cost of natural gas as well as a change in the Company's Actual Cost Adjustment (ACA) factor, AmerenUE natural gas customers in the former Aquila, Inc. Eastern System service area (including the City of Rolla) will see natural gas rates increase by approximately 0.6% under a filing which will take effect on November 1, 2006.

The ACA factor is a mechanism which tracks any over-collection or under-collection of actual natural gas costs over a 12 month period. The net over- or under-collected balances are subsequently either refunded or collected the next year.

A residential customer currently pays approximately \$1.38 per Ccf (per 100 cubic feet of gas). Under this filing, the rate will increase to approximately \$1.39 per Ccf, an increase of approximately a penny per Ccf.

Approximately 65% to 75% of a customer's natural gas bill reflects the cost of natural gas from wholesale suppliers. The wholesale cost of natural gas (the cost your local natural gas company must pay to its suppliers for natural gas) is not regulated by the Missouri Public Service Commission. The wellhead cost of natural gas is unregulated and is primarily driven by supply, demand and the weather. The Missouri Public Service Commission does conduct an annual regulatory review to ensure that regulated natural gas companies make prudent decisions in securing natural gas supplies for their customers.

AmerenUE serves approximately 3,900 natural gas customers in the former service area of Aquila, Inc.'s Eastern System in Phelps County.